

Old Age, Disability, Death

First law: 1951.

Current laws: 1953 and 1978 (permanent employees), and 1986 (contract workers), and 1994 Labor Law.

Type of program: Separate mandatory employer-provided programs (state enterprise permanent workers) and provincial or city/county-based social insurance systems (state-enterprise contract workers).

(Provincial and city/county social insurance agencies and employers may adjust stipulated national norms to local conditions.)

Exchange rate: U.S. \$1.00 equals 8.31 yuan.

Coverage

Permanent and contract employees in state-run enterprises. Some locales provide conditional coverage to employees in collective, private, and foreign-invested enterprises (Chinese nationals only) and/or the self-employed, with similar or separate programs. Employees of government and party organizations, and cultural, educational, and scientific institutions are covered under government-funded employer-administered system.

Source of Funds

Insured person: Up to 3%-5% of total earnings, depending on local government provisions.

Employer: 15%-20% of payroll (may or may not include non-wage subsidies), depending on local government provisions, if participating in city/county retirement pension pools, or whole cost if not participating.

Government: Central and local government subsidies as needed. Provincial and city/county governments may adjust contribution base and/or rate according to local conditions.

Qualifying Conditions

Old-age pension: Age 60 for men and professional women, 55 for non-professional salaried women, 50 for other women (55 for men and 45 for women, if arduous or unhealthful work) with 10 years' continuous service.

Early retirement at age 50 (men) or age 45 (women) with 10 years' continuous service, if totally disabled.

Disability pension: Total incapacity for work and ineligible for early retirement.

Survivor grant: Deceased was in covered employment or pensioner.

Old-Age Benefits

National norm for permanent workers—Old-age pension: 60%-100% of last month's standard wage according to length of service and dates of employment.

Supplement for outstanding performance: 5%-15% of standard wage if pensioner is a model worker or revolutionary hero.

Total of supplement and pension not to exceed 100% of standard wage.

Allowance for relocation expenses as result of retirement: 150-300 yuan, depending on rural or urban location.

Minimum pension: 50 yuan a month.

National norm for contract workers—Same as for permanent workers.

Adjustment: Ad hoc benefit adjustments paid in the form of standard of living allowances or staple food allowances.

Permanent Disability Benefits

National norm for permanent workers—Disability pension: 40% of standard wage; minimum 50 yuan a month.

Allowance for relocation expenses as result of total disability: 2-months' standard wage.

National norm for contract employees—Same as for permanent workers.

Survivor Benefits

National norm for permanent workers—Survivor grant: Lump sum of 6-12 months' standard wage, according to number of surviving dependents: 1 dependent, 6 months' standard wage; 2 dependents, 9 months' standard wage; 3 or more dependents, 12 months' standard wage. If pensioner, 6-12 months' of pre-retirement standard wage according to number of surviving dependents.

Funeral grant: Lump sum of 2 months' average earnings of all employees in same enterprise; death of dependent immediate family members, 1/3 - 1/2 of 1 month's average wage depending on age of deceased.

National norm for contract employees—Same as for permanent workers.

Administrative Organization

Ministry of Labor, Department of Social Insurance, general supervision.

Provincial or city/county social insurance agencies, administration of retirement pension pools for participating enterprises.

Individual state-run enterprises, administration of programs.

Sickness and Maternity

First law: 1951.

Current law: 1953 and 1978 (permanent employees), 1986 (contract workers), 1988 (women employees).

Separate employer-provided programs based on national norm. (Employers may adjust stipulated national norms to local conditions.)

Coverage

Permanent and contract employees in state-run enterprises and some collective enterprises. Employees of government and party organizations, cultural, educational, and scientific institutions and, university students are covered under government-funded and employer-administered programs.

Source of Funds

Insured person: Up to 1% of wages.

Employer: Average 10% of total payroll (may or may not include non-wage subsidies), depending on local government provisions, if local government plans available and if enterprise participating.

Non-participating enterprise: Whole cost.

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Government: Central and local government subsidies as needed.

Qualifying Conditions

Sickness, maternity, and medical benefits: No minimum qualifying period.

Sickness and Maternity Benefits

National norm for permanent workers—Sickness benefit:

60%-100% of standard wage, according to length of service (60% if employed less than 2 years, 70% if 2 but less than 4 years, 80% if 4 but less than 6 years, 90% if 6 but less than 8 years, and 100% if employed 8 years or more). Payable by employer for up to 6 months each year; 40% to 60% payable by employer thereafter until recovery or determination of permanent disability: 40% if employed less than 1 year, 50% if 1-3 years, and 60% if employed 3 years or more.

Maternity benefit: 100% of earnings payable by employer for up to 90 days in connection with childbirth. 100% of earnings payable for up to 30 days in case of abortion.

National norm for contract workers—Same as for permanent workers.

Workers' Medical Benefits

National norm for permanent workers—Medical benefits:

Medical services either provided in employer's clinic or hospital, or paid for directly by employer. Includes treatment by doctor, maternity care, bed, and full cost of surgery and ordinary medicines. Employee pays registration fee for both outpatient and inpatient care, house calls, and board if hospitalized.

National norm for contract workers—Same as for permanent workers.

(Medical care available to general population in public institutions, within limits of facilities available and subject to various fees).

Dependents' Medical Benefits

National norm for permanent workers—Medical benefits for dependents: Treatment by doctor in employer's clinic, and 50% of cost of surgery and ordinary medicines, if dependents not otherwise covered.

National norm for contract workers—Same as for permanent workers.

Administrative Organization

Ministry of Labor, Department of Social Insurance, general supervision of cash benefits.

Ministry of Public Health, general supervision of health care.

Individual state-run enterprises, administration of programs.

Work Injury

First law: 1951.

Current laws: 1953 and 1978 (permanent employees), 1986 (contract workers).

Separate employer-provided programs based on national norm. (Employers may adjust stipulated national norms to local conditions.)

Coverage

Permanent and contract employees in state-run enterprises, and some collective enterprises.

Employees of government and party organizations, cultural, educational, and scientific institutions, and university students covered under government-funded and employer-administered programs.

Source of Funds

Insured person: None.

Employer: Whole cost.

Government: Central and local government subsidies as needed.

Qualifying Conditions

Work-injury benefits: No minimum qualifying period.

Temporary Disability Benefits

National norm for permanent and contract

workers—Temporary disability benefit: 100% of standard wage during temporary disability until recovery or determination of permanent disability.

Permanent Disability Benefits

National norm for permanent and contract

workers—Permanent disability pension: 80%-90% of standard wage, if totally disabled.

Minimum pension: 50 yuan a month.

Partial disability: 10% to 30% of standard wage, according to earnings loss: 10% of standard wage if 11%-20% earnings loss; 20% if 21%-30% earnings loss; and 30% of standard wage if 30% or more earnings loss.

Workers' Medical Benefits

Medical benefits: Medical treatment, surgery, nursing, medicine, appliances, transportation, and hospitalization (employee pays 1/3 of cost of board).

National norm for contract workers—Same as for permanent workers.

Survivor Benefits

National norm for permanent workers—Survivor pension: 25%, 40%, or 50% of standard wage of deceased, for 1, 2, or 3 or more dependents.

Funeral grant: 3 months' wages.

National norm for contract workers—Information not available.

Administrative Organization

Ministry of Labor, Department of Social Insurance, general supervision.

Individual state-run enterprises, administration of programs.

Unemployment

First and current law: 1986, and 1993.

Provincial and city/county social insurance system based on national norm.

(Provincial and city/county governments may adjust stipulated national norms to local conditions.)

Coverage

Permanent and contract workers in state-run enterprises.

Source of Funds

Insured person: None.

Employer: 0.6%-1% of wage, depending on local government provisions.

Government: Local government subsidies.

Qualifying Conditions

Unemployment benefit: At least 1 year in covered employment, involuntary termination of employment, registration at and regularly reporting to local employment service agencies, and actively seeking employment.

Unemployment Benefits

Unemployment benefit: 120%-150% of local public assistance benefit. Payable for 1 year if less than 5 years of coverage, and for 2 years if 5 or more years of coverage.

Administrative Organization

Ministry of Labor, Department of Employment, general supervision.
Local employment service agencies, administration of program.

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